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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/751,331	01/02/2004	Andrew R. Heiges	009974-5054US01	7616
9629 7590 05/13/2009 MORGAN LEWIS & BOCKIUS LLP 1111 PENNSYLVANIA AVENUE NW WASHINGTON, DC 20004				
EXAMINER				
SUBRAMANIAN, NARAYANSWAMY				
ART UNIT		PAPER NUMBER		
3695				
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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary

Application No.

10/751,331

Applicant(s)

HEIGES ET AL.

Examiner

Narayanswamy Subramanian

Art Unit

3695

Period for Reply -- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 26 January 2009.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1, 3-5 and 7-16 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1, 3-5, and 7-16 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-8508)
Paper No(s)/Mail Date _____
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date _____
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: _____

DETAILED ACTION

1. This office action is in response to applicants' communication filed on January 26, 2009. Addition of new claims 9-16 have been entered. Claims 1, 3-5 and 7-16 are currently pending in the application and have been examined. The rejections and response to arguments are stated below. Applicants are requested to note the Examiner's new art unit number (AU 3695) in their reply to this office action.

Claim Rejections - 35 USC § 112

2. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

3. Claims 1, 3-4, 9-12 and 15-16 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claims 1, 3-4 and 9-12 recite in the preamble "A computerized method for analyzing college savings plans". However it is not clear which steps of the method are performed by the computer. For instance the steps of "generating a comparative analysis of a plurality of educational savings plans by applying each of the retrieved cost parameter sets of step (b) to each of the plurality of educational savings plan parameters; the comparative analysis taking into account one or more taxation implications for at least one of the educational savings plans; and outputting a report of the comparative analysis" are interpreted by the Examiner to be performed by a human also.

Claims 11-12 and 15-16 recite the limitations of "wherein said report of said comparative analysis comprises said monthly savings needed under each of said plurality of educational savings plans" and "wherein said report of said comparative analysis

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comprises said lump sum savings needed under each of said plurality of educational savings plans”. It is not clear what the Applicants mean by these limitations. It is not clear how a report can comprise a lump sum or a monthly savings. Appropriate correction is required.

The rejections below are interpreted in light of the 112, second paragraph rejections above.

Claim Rejections - 35 USC § 101

4. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

5. Claims 1, 3-4 and 9-12 are rejected under 35 U.S.C. § 101 because the claimed invention is directed to non-statutory Subject matter.

35 USC 101 requires that in order to be patentable the invention must be a “**new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof**” (emphasis added).

The claimed invention does not fall in the process category for the following reason. The Supreme Court has recognized only two instances in which such a method may qualify as a section 101 process: when the process ‘either [1] was tied to a particular apparatus or [2] operated to change materials to a ‘different state or thing.’” In *Diehr*, the Supreme Court confirmed that a process claim reciting an algorithm could state statutory subject matter if it: (1) is tied to a machine or (2) creates or involves a composition of matter or manufacture.¹² 450 U.S. at 184. There, in the context of a process claim for curing rubber that recited an algorithm, the Court concluded that “[t]ransformation and

reduction of an article 'to a different state or thing' is the clue to the patentability of a process claim that does not include particular machines."

In *Comiskey* (*In re Comiskey*) "the mere use of the machine to collect data necessary for application of the mental process may not make the claim patentable subject matter." *Comiskey*, 499 F.3d at 1380 (citing *In re Grams*, 888 F.2d 835, 839-40 (Fed. Cir. 1989)). In other words, nominal or token recitations of structure in a method claim should not convert an otherwise ineligible claim into an eligible one. For the same reason, claims reciting incidental physical transformations also may not pass muster under section 101. To permit such a practice would exalt form over substance and permit claim drafters to file the sort of process claims not contemplated by the case law.

In *Benson*, the Court reviewed the facts of several of its precedents dealing with process patents before drawing the conclusion that "transformation" is the clue to patent-eligibility "of a process claim that does not include particular machines." *Benson*, 409 U.S. at 68-71 (emphasis added). The cases *Corning* (tanning and dyeing), *Cochrane* (manufacturing flour), *Tilghman v. Proctor*, 102 U.S. 707 (1880) (manufacturing fat acids), and *Expanded Metal Co. v. Bradford*, 214 U.S. 366 (1909) (expanding metal), can all fairly be read to involve transformation of some article or material to a different state or thing. *Id.* at 69-70. *Benson* also compared *O'Reilly v. Morse*, 56 U.S. (15 How.) 62 (1854), to *The Telephone Cases*, 126 U.S. 1 (1888), reasoning that Morse's eighth claim was disallowed because it failed to recite any machinery for carrying out the printing of characters at a distance, instead simply claiming the use of "electromagnetism, however developed" for that purpose. *Id.* at 68. In contrast, Bell's claim in *The Telephone Cases*

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recited certain specified conditions for using a particular circuit for the transmission of sounds. *Benson*, 409 U.S. at 68-69.

These cases illustrate process claims where the recited machines played a central role in generating a useful result. In direct contrast, human- driven methods that merely recite a device that is insignificant to accomplishing the method (like the claim in *Grams*) and do not transform any article should not be recognized as a "process" claim similar to the above-cited cases. See *Diehr*, 450 U.S. at 191-92 ("insignificant post- solution activity will not transform an unpatentable principle into a patentable process").

In the case of claim 1 of the instant application, the critical steps of "generating a comparative analysis of a plurality of educational savings plans by applying each of the retrieved cost parameter sets of step (b) to each of the plurality of educational savings plan parameters; the comparative analysis taking into account one or more taxation implications for at least one of the educational savings plans; and outputting a report of the comparative analysis" are interpreted to be performed by a human (See discussion of 112, second paragraph rejection above). The processor does not play a central role in generating a useful result. Nominal or token recitations of structure in a method claim should not convert an otherwise ineligible claim into an eligible one. Hence the recited method of claims 1, 3-4 and 9-12 does not qualify as a process under 35 USC 101. (See also *Ex Parte Langemyr*, Appeal 2008-1495, BPAI Decision May 28, 2008).

Claim Rejections - 35 USC § 103

6. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and

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the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

7. Claims 1, 3-5 and 7-16 are rejected under 35 U.S.C. 103(a) as being unpatentable over Yinbal (US Patent 6,424,952 B1) in view of Corlett et al. (US Patent 6,253,192 B1).

Claims 1 and 5, Yinbal discloses a computerized method and system for analyzing college savings plans, the method for use with a computer-readable medium (See Yinbal Column 9 line 65 – Column 10 line 18, a computer-readable medium is inherent in the disclosure, educational funding and counseling services is interpreted to include college savings plans) on which are stored a plurality of educational institution identifiers and a plurality of educational savings plan parameter sets, each of respective educational institution identifiers being associated with a corresponding cost parameter set specifying at least one of room, board, and tuition costs for the respective educational institution; each of the plurality of educational savings plan parameters specifying one or more financial characteristics of a corresponding educational savings plan; the method comprising the steps of: a. receiving at least one educational institution identifier (See Yinbal Figure 1, Column 2 line 65 – Column 3 line 46); b. for each of the educational institution identifiers received in step (a), retrieving the corresponding cost parameter set from the computer-readable medium (See Yinbal Figure 1, Column 4 lines 13-65); c. generating an analysis of a educational savings plans by applying each of the retrieved cost parameter sets of step (b) to each of the plurality of educational savings plan parameters (See Yinbal Figure 1, Column 10 line 61 – Column 11 line 15); and (d) outputting a report of the analysis (See Yinbal Figure 1, Column 9 line 46 – Column 10 line 21).

Yinbal does not explicitly teach the limitations of “generating a comparative analysis of a plurality of educational savings plans”, “the comparative analysis taking into account one or more taxation implications for at least one of the educational savings plans”.

Corlett teaches the limitation of the comparative analysis taking into account one or more taxation implications for at least one of the educational savings plans (See Corlett Abstract, Figures 1B-2, Column 8 lines 38-44, Column 14 lines 60-67, Claims 1, 11-13, the planning rules are interpreted to include savings plan parameters for financial plans). The feature of generating a comparative analysis of a plurality of plans is old and well known in the art of financial planning. For instance generating such comparative analysis helps an individual in choosing the plan that best fits their preferences and personal circumstances.

Both Yinbal and Corlett are concerned with the problem of financial planning for meeting certain financial objectives. It would have been obvious to one of ordinary skill in the art at the time of invention to include the teachings of Corlett to the invention of Yinbal. The combination of disclosures suggested that users would have benefited from using a model that would enable them to achieve their financial objectives taking into consideration their preferences and personal circumstances

Claims 3-4 and 7-8, Corlett teaches the features of generating a comparative analysis further includes comparing each of a plurality of financial plans with reference to one or more specific asset allocations and a comparison based upon tax considerations (See Corlett Column 8 lines 38-44, Column 14 lines 60-67, Claims 1, 11-13, changing preferences and allocations is interpreted to include these features).

Claims 9-10 and 13-14, the features wherein at least one of said plurality of educational savings plans comprises an account of funds and a child beneficiary, wherein said taxation implications comprise taxing investment income on said funds at a child beneficiary rate and wherein at least one of said plurality of educational savings plans comprises an account of funds, wherein said taxation implications comprise taxing withdrawal of said funds from said account at a first rate when said withdrawal is used for a non-educational expense and at a second rate less than said first rate when said withdrawal is used for an educational expense are old and well known features provided by the tax code to enable qualified individuals to minimize their tax obligations. Inclusion of these features to the disclosure of Yinbal would have helped the participant of the savings plan to minimize their tax liabilities.

Claims 11-12 and 15-16, official notice is taken that the features of computing monthly savings needed under each of a plurality of savings plans or computing a lump sum saving needed under each of a plurality of savings plans and displaying it to the user is old and well known in the art. For instance it is routine in personal financial planning or retirement planning to perform such analysis and estimate the funds needed to meet a certain series of periodic payments at retirement. Inclusion of these features to the disclosure of Yinbal would have helped the participant of the savings plan to choose the option that best fits their preferences and capacity.

Note is taken by the examiner that should the applicant find objectionable any statements made herein by the examiner regarding obviousness or Official Notice, Applicant can make a proper challenge to those statements only by providing adequate information or argument so that on its face it creates a reasonable doubt regarding the

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circumstances justifying those statements: a simple response requesting a reference without doing so, or a response that fails to logically refute the basic assumptions underlying the justification, will result in an improper and failed challenge and those unchallenged statements will remain the record of the case. Applicants must seasonably challenge those statements in the first response following an Office Action. If an applicant fails to do so, his right to challenge them is waived.

Response to Arguments

8. Applicant's other arguments with respect to pending claims have been considered but are moot in view of the new ground(s) of rejection.

Conclusion

9. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure are included on the enclosed PTO-892.

10. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Narayanswamy Subramanian whose telephone number is (571) 272-6751. The examiner can normally be reached Monday-Thursday from 8:30 AM to 7:00 PM. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Charles R. Kyle can be reached at (571) 272-6746. The fax number for Formal or Official faxes and Draft to the Patent Office is (571) 273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PMR or Public PAIR. Status information for unpublished applications is available through Private PMR only. For more information about the PMR system, see <http://pair-direct.uspto.gov>. Should you

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have questions on access to the Private PAIR system, contact the Electronic Business

Center (EBC) at 866-217-9197 (toll-free).

/Narayanswamy Subramanian/

Primary Examiner

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May 11, 2009